Background: Maryland's Section 1115 HealthChoice Demonstration Waiver Renewal

Maryland's HealthChoice Program, now in its twenty-fifth year, was implemented in 1997 following federal approval allowing the State to move its fee-for-service (FFS) enrollees into a managed care payment system. Under the statewide health care reform program, the State enrolls individuals eligible through the demonstration into a managed care organization (MCO) for comprehensive primary and acute care, or one of the demonstration's authorized health care programs. This current five-year waiver authority expires on December 31, 2021; the Department is seeking a renewal of the section 1115 waiver to continue the demonstration as well as implement new programs. This document is a summary of the draft application as of May 4, 2021.

As of March 2021, the Maryland Department of Health (the Department) provides services to 1.5 million enrolled participants. Of those, 1.3 million are enrolled in the HealthChoice program, including children enrolled in the Maryland Children's Health Program (MCHP). HealthChoice enrollees receive the same comprehensive benefits as those available to Maryland Medicaid enrollees through the FFS system.

The Department's goal through continued implementation of the demonstration is to improve the health status of low-income Marylanders by:

- Improving access to health care for the Medicaid population;
- Improving the quality of health services delivered;
- Providing patient-focused, comprehensive, and coordinated care designed to meet healthcare needs by providing each member a single "medical home" through a primary care provider (PCP);
- Emphasizing health promotion and disease prevention by providing access to immunizations and other wellness services, such as regular prenatal care; and
- Expanding coverage to additional low-income Marylanders with resources generated through managed care efficiencies.

Subsequent to the 2016 waiver renewal application approval, the Department submitted and received approval for two waiver amendments requesting program modifications or extensions. The first amendment, approved in 2019, made the following changes to the demonstration:

- Pay for certain inpatient treatments for participants with a primary SUD diagnosis and secondary mental health diagnosis at Institutions for Mental Disease (IMDs)—an expansion of the demonstration's Residential Treatment Services for Individuals with SUD Program;
- Expand the annual cap of the Assistance in Community Integration Services (ACIS) Pilot program;
- Cover a limited adult dental benefit for dually-eligible participants who are 21 to 64 years of age;
- Cover the National Diabetes Prevention Program (National DPP) lifestyle change program services for eligible HealthChoice participants; and
- Transition the Family Planning program from the section 1115 demonstration waiver into a State Plan Amendment (SPA) for the same program with expanded eligibility requirements and services.

The second waiver amendment, approved in April 2020, allowed the Department to establish a Collaborative Care Model (CoCM) Pilot program intended to serve a limited number of HealthChoice beneficiaries by integrating physical and behavioral health services in primary care settings, beginning in July 2020.

The Department completes an annual evaluation for the HealthChoice program and makes this available to stakeholders. Since the beginning of this current waiver period in 2017, the Department has conducted five comprehensive evaluations of the program which include data from CY 2015 to CY 2019. These evaluations demonstrate the continued success of the program not only in improving access to health care services and providing quality care, but also in demonstrating savings over the time period.

As the Department works with its provider and payer community partners to transform the healthcare system, this waiver renewal proposal will focus on maintaining high quality, cost-effective services and pilot programs initiated in the last waiver renewal period. In addition, the Department will focus on alignment with statewide efforts and measures designed for and organized around achieving success on population health measures required by the Center for Medicare and Medicaid

Innovation (CMMI) for Maryland's Total Cost of Care Model. The table below summarizes programs for which the Department is requesting approval in this renewal application.

Existing Program/Service: Continue As Is	Existing Program/Service Continue with Modification	New Program/Service
● Adult Dental Pilot Program ● Breast and Cervical Cancer Program ● Collaborative Care Pilot Program ● HealthChoice Diabetes Prevention Program ● Hospital Presumptive Eligibility Process ● Increased Community Services	● Assistance in Community Integration Services Pilot ● Home Visiting Services Pilot ● Residential Treatment for Substance Use Disorder	● Emergency Triage, Treat and Transport Model ● Expansion of Institutions of Mental Disease for Severe Mental Illness ● Maternal Opioid Misuse Model

Modifications to Existing Programs

- **Assistance in Community Integration Services (ACIS) Pilot (Eff. Date: July 1, 2017).** The Department seeks to expand the number of available places from 600 to 900. Through an open process, local governmental entities would apply to deliver ACIS services to a proposed number of individuals either as an expansion of a current ACIS pilot program, or under a new application. All other provisions of the program, including the local governmental entity provision of the non-federal share of payment, would remain the same.
- **Evidence-Based Home Visiting Services (HVS) Pilot for High Risk Pregnant Women and Children (Eff. Date: July 1, 2017).** The Department seeks to expand the allowable time-frame of eligibility in the Healthy Families America (HFA) evidence-based home visiting model program from age two to age three. This change aligns with the current guidelines of the HFA model. All other provisions of the program, including the local governmental entity provision of the non-federal share of payment, would remain the same.
- **Residential Treatment for Substance Use Disorder.** The Department seeks to modify its coverage of ASAM Level 4.0 to include not only providers located in Maryland, but also those based in contiguous states. During the COVID-19 pandemic, transferring patients across state lines for the purposes of residential treatment for SUD was disallowed for the safety of patients, treatment providers, and the community at large.

New Programs

- **Expansion of Institutions of Mental Disease (IMD) Services for Adults with Serious Mental Illness (SMI).** The Department is requesting expenditure authority to cover Medicaid adults aged 21 to 64 that have an SMI diagnosis who are residing in a private IMD for up to 15 days in a month, beginning on January 1, 2022. The days authorized would be based on medical necessity, but would not exceed 15 days per month and would be limited to in-state facilities only.
- **Maternal Opioid Misuse (MOM) Model (Eff. Date: July 1, 2021).** Implemented in response to Maryland's opioid epidemic, the MOM Model is a pilot initiative designed to reduce the burden of neonatal abstinence syndrome (NAS) and its associated costs, and improve maternal health outcomes, by providing case management along with somatic and behavioral care to pregnant people diagnosed with an opioid use disorder (OUD). Initially established in St. Mary's county, the pilot will transition to becoming available statewide. In this submission, Maryland seeks funding for PMPM payments for participating MCOs to cover these services during pregnancy and the postpartum period.
- **Emergency Triage, Treat and Transport (ET3) Model.** ET3 is a voluntary, five-year payment model that provides greater flexibility to ambulance care teams to address emergency health care needs following a 911 call by allowing for payment for ground transports to alternative destinations such as urgent care providers in addition to the ED.